



TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

MINUTES

THURSDAY, AUGUST 23, 2018

1:00 p.m.

The meeting was held on August 23, 2018, in Nashville, Tennessee. Commissioner Skiles, Commissioner Jones, and Commissioner Harb Roberts were present. In attendance on behalf of TABC staff was the following: Director Byrd, Asst. Director Blair, Commission Counsel Hollingshead-Cook, Commission Counsel Stepp, CLEO Tubbs, Christopher Dowell, Nancy Townsend, and Nichelle Dorroh.

1. REVIEW/APPROVAL OF THE JULY 26, 2018, COMMISSION MEETING MINUTES

Discussion/Action Taken: Commissioner Jones moved for the minutes to be accepted as presented. The motion was seconded and it passed with three ayes.

2. RETAIL MATTERS

1. RAY'S MIDTOWN WINE & SPIRITS MEMPHIS, TENNESSEE (SHELBY COUNTY)

Applicant: Ray's Midtown Wine & Spirits LLC
Member(s): Raymond Vallier¹, 100%

Current licensee: Donald W. Miller d/b/a MidTown Wine & Spirits
(license no. 3794)

Proposed license: Ray's Midtown Wine & Spirits LLC d/b/a Ray's Midtown
Wine & Spirits

Before the Commission is a request for approval of a retail package store licensee to be located at 2541 Poplar Avenue, Memphis, TN 38112. The applicant is acquiring the package store from the licensee that is currently operating at this location. The applicant will lease the premises from Ready Teddy Inc. The TABC staff recommends conditional approval of this request subject to receipt of the following:

- a. license fee

¹ Raymond Vallier also owns Sycamore View Liquor LLC d/b/a Sycamore View Liquor LLC, retail package store licensee no. 4189 located at 2141 Sycamore View, Memphis, TN 38134.



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to the license fee. Commissioner Harb Roberts moved for approval subject to receipt of the license fee. The motion was seconded and it passed with three ayes.

2. FRANKLINS WINE AND SPIRITS LEBANON, TENNESSEE (WILSON COUNTY)

Applicant: Franklins Wine and Spirits, Inc.
Member(s): Aruna Meraiya, 100%

The applicant was conditionally approved on April 26, 2018, for the issuance of a retail package store license at 3961 Lebanon R., Lebanon, TN 37087.² On or about July 24, 2018, the applicant requested and received approval for an initial thirty day extension from Director Byrd. The applicant is before the Commission requesting a sixty day extension and if approved would extend the conditional approval through October 23, 2018.

TABC rule 0100-03-.09(6)³ specifies that conditional approval automatically expires 90 calendar days after such approval if the new license has not opened for business, unless a written request for extension is received. Past practice has allowed for an initial thirty day extension approval from the staff and one additional thirty day extension heard by the Commission; however, the TABC staff has no objection to this request.

Discussion/Action Taken: Director Byrd reviewed the request to the Commission and commented on the background of past practice of extension requests and the applicable rule and noted that the rule does not specify a limit on the extension. Director Byrd then recommended approval of the sixty day extension request. A discussion was held and Director Byrd addressed questions by the Commission. Attorney Danielle Elks addressed the Commission on behalf of the applicant regarding the construction delays. A discussion was held and Commissioner Jones commented that he would prefer a sixty day limit and that

² The conditional items were a certificate of occupancy, TABC inspection & acknowledgment of rules & regulations, and the license fee.

³ TABC rule 0100-03-.09(6): Time Requirement to Commence Business. Approval, by the Commission, of the issuance of a new wholesaler's or retailer's license or the transfer of such a license to a different entity, shall automatically expire 90 calendar days after such approval if the new license has not opened for business, unless a written request is received by the Commission for an extension of approval.



the matter not come back before the commission. Commissioner Jones' motion for a final sixty day extension was seconded. The motion passed with three eyes.

**3. BLUE 4 LIQUORS
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant: Blue 4 Group, LLC
Members: A Harper Ventures, LLC, 22.5% (Mike Herron, 100%)
LPJ, LLC, 22.5% (Lorie Jones, 100%)
DED Ventures, LLC, 22.5% (Derek E. Denman Sr., 100%)
Blue 4 Group of MS, LLC, 32.5% (VL Sandifier Jr., 100%)
Current licensee: Steve Houston dba Blue Four Package Store (no. 0446)
Proposed licensee: Blue 4 Group, LLC

Before the Commission is a request for approval of a retail package store licensee to be located at 1886 Winchester Rd., Memphis, TN. The applicant is acquiring the package store from the current owner operating at this location. The applicant will lease the premises from landlord Andrea Simmons. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy
- b. ~~TABC inspection which includes an acknowledgment of rules & regulations~~
- c. ~~TABC agent report~~
- d. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and noted that item (b) and item (c) had been received. Director Byrd recommended conditional approval subject to the certificate of occupancy and the license fee. Commissioner Harb Roberts moved for approval subject to receipt of the certificate of occupancy and the license fee. The motion was seconded and it passed with three eyes.

**4. R & B LIQUORS
NOLENSVILLE, TENNESSEE (WILLIAMSON COUNTY)**

Applicant: Ashneha, LLC
Member(s): Jagdish Dadlani, 100%
Current licensee: Yang's Investment Inc. (Chia-Chi Yang, 50%, and Tzu-Yuan Huang, 50%) dba R&B Liquors, license no. 3925



Proposed licensee: Ashneha, LLC

Before the Commission is a request for approval of a retail package store licensee to be located at 7175 Nolensville Rd., Ste. 106-107, Nolensville, TN 37135. The applicant is acquiring the package store from the current owner operating at the location and the landlord has agreed to the assignment of the current owner's lease to the applicant. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- ~~a. agent report~~
- ~~b. inspection which includes an acknowledgment of TABC rules and regulations~~
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and noted conditional item (a) and (b) had been received. Director Byrd recommended conditional approval of the request subject to the license fee. Commissioner Jones moved for approval subject to receipt of any missing items. The motion was seconded and it passed with three ayes.

**5. MIDTOWN SPIRITS
DECHERD, TENNESSEE (FRANKLIN COUNTY)**

Applicant: All Color Wine & Spirits LLC
Member(s): Diviya Patel, 100%

Current licensee: BWL Enterprises LLC (Barry Lamb, 100%) d/b/a Midtown Spirits (no. 3512)

Proposed licensee: All Color Wine & Spirits LLC

Before the Commission is a request for approval of a retail package store licensee to be located at 1929 Decherd Blvd. Decherd, TN 37324. The applicant is acquiring the package store from the current licensee and will lease the premises from landlord Crestview Group LLC. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- ~~a. agent report~~
- b. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and noted conditional item (a) was satisfied. Director Byrd recommended conditional approval subject to the payment of the license fee.



Commissioner Harb Roberts moved approval subject to receipt of the license fee. The motion was seconded and it passed with three ayes.

**6. HUNDEHAUS WINE & SPIRITS (LICENSE NO. 3851)
LORETTO, TENNESSEE (LAWRENCE COUNTY)**

Applicant: Hundehaus Inc.

The retail package store licensee doing business at 216 South Military Street, Loretto, TN 38469 is requesting approval to expand its premises. The applicant owns the real property where the store is located and is constructing an addition to the existing structure. The TABC staff recommends conditional approval of the request subject to the following:

a. TABC inspection

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to an inspection. The owner of the establishment was present at the meeting. Commissioner Jones moved for approval subject to receipt of any missing items. The motion was seconded and it passed with three ayes.

3. WINERY MATTERS

**1. TENNESSEE WINE COMPANY LLC
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Applicant: Tennessee Wine Company LLC
Member(s): Hallie Galyon, 100%

Before the Commission is a request for licensing of a new winery to be located at 940 Blackstock Ave., Knoxville, TN 37921. The applicant will lease the premises where the winery will be located from landlord, HK Management Group, LLC. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. agent report
- b. certificate of occupancy
- c. inspection which includes an acknowledgment of TABC rules and regulations
- d. license fee



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to the listed conditional items. Commissioner Harb Roberts moved approval subject to the receipt of the missing items. The motion was seconded and it passed with three ayes.

**2. AMBER FALLS WINERY AND CELLARS
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: Amber Falls Winery and Cellars, LLC
Member(s): Timothy Zaunbrecher, 50%
Judith Zaunbrecher, 50%

Before the Commission is a request for approval of a satellite facility licensee to be located at 433 Opry Mills Dr., Suite 751-A, Nashville, TN 37214. The applicant's licensed winery is located at 794 Ridgetop Rd., Hampshire, TN 38461. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy
- b. TABC inspection which includes an acknowledgment of rules & regulations
- c. executed lease
- d. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to receipt of the listed conditional items. Commissioner Jones moved for approval subject to receipt of the items as stated. The motion was seconded and it passed with three ayes.

4. WHOLESALE MATTERS

**1. L & H DISTRIBUTING CO., INC. (LICENSE NO. 17)
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

Applicant: L & H Distributing Co., Inc.

The wholesale licensee doing business at 1309 North Washington Street, Tullahoma, TN is requesting approval to expand its premises. The licensee is leasing the real property from landlord B.A.B. Enterprises and is expanding their warehouse space from the current footprint to accommodate additional storage.



The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy
- b. TABC inspection

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommend conditional approval of the request subject to receipt of the listed conditional items. Commissioner Harb Roberts motioned for conditional approval subject to receipt of the missing items. The motion was seconded and it passed with three ayes.

**2. SOUTHERN GLAZER'S OF TENNESSEE (LICENSE NO. 34)
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant: Southern Glazer's Wine and Spirits of Tennessee LLC

The wholesale license doing business at 6290 Shelby View, Memphis, TN 31834 is requesting approval of (1) a corporate restructuring transaction at the great-grandparent level of the corporate structure, (2) a corporate stock redemption transaction of Marc J. Dinnerstein's 1.2% interest in the licensee with the ownership interests of certain other owners changing accordingly by about 0.1% each, and (3) a transfer of Steven R. Becker's 0.11% interest to the Stephen R. Becker 2018 Revocable Trust with Mr. Becker as the trustee. No new owners are being introduced and there will be no change in control of the license or parent company. The TABC staff recommends approval of the request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Attorney Hank Hildebrand was present on behalf of the applicant. Commissioner Harb Roberts moved for approval of the request; the motion was seconded and it passed with three ayes.

5. DISTILLERY/BREWERY MATTERS

**1. BRANCHWATER DISTILLERY (LICENSE SUPMFR-FRA-1801271)
WINCHESTER, TENNESSEE (FRANKLIN COUNTY)**

Applicant: Branchwater Distillery LLC

Members:	<u>Before</u>	<u>After</u>
	Bryan Kelley, 70%	Bryan Kelley, 80%



Sara Logan, 5%
Loren Henley, 5%
Bonnie Kelley, 10%
Amanda Lieble, 10%

Sara Logan, 10%
Loren Henley, 10%

The manufacturer licensee operating at 115 2nd Ave. NW, Winchester, TN 37398 is requesting approval of a change in LLC members and member interest. Bonnie Kelley and Amanda Lieble are surrendering their ownership interests in the LLC and the interest is being distributed to the remaining members. The TABC staff recommends approval of the ownership change.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Danielle Elks was present on behalf of the applicant. Commissioner Harb Roberts moved for approval of the ownership change. The motion was seconded and it passed with three ayes.

**2. LOST STATE DISTILLING
BRISTOL, TENNESSEE (SULLIVAN COUNTY)**

Applicant: Lost State Distilling, LLC
Member(s): Joe Bianchi, 24%
Russel Tinsley, 25%
Mark Bianchi, 51%

Before the Commission is a request for licensing of a new manufacturer to be located at 200 State St., Bristol, TN 37620. The applicant will lease the premises from landlord, Lost State Enterprises, LLC. The TABC staff recommends conditional approval of the request subject to receipt of the following items:

- a. certificate of occupancy
- b. inspection which includes an acknowledgment of TABC rules & regulations
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to the listed items. Commissioner Jones moved for approval subject to receipt of the missing items. The motion was seconded and it passed with three ayes.

6. MISCELLANEOUS



Discussion/Action Taken: Director Byrd updated the Commission on several matters including the USTOP grant funding increase, upcoming in service training, upcoming educational operational events by TABC agents, and an update on the residency litigation.

Director Byrd then updated the Commission on the number of RLPS licenses and inspections processed and a recent change to allow licensees the ability to update their certified clerks list in RLPS. Director Byrd also updated the commission on the deployment of touchscreen notebooks.

Assistant Director Blair addressed the commission on the scheduling of upcoming meetings due to the conference room being shared meeting space for any state agency.

Additionally, Director Byrd updated the commission on the rule filings adopted by the commission the previous fall and noted there will be revisions based on consultation with the Attorney General's office. Director Byrd noted that there are rules now outdated and noted that the staff intended to bring back before the commission a revised set of rules in September that are updated for statutory authority and consistent with statutes.

7. NEXT MEETING - Thursday, September 27, 2018, at 10:00 a.m.

8. UPCOMING MEETINGS

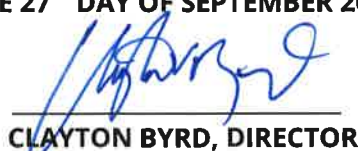
- Thursday, September 27, 2018 at 10:00 a.m.
- October (TBD)

Discussion/Action Taken: The commission scheduled TABC meetings for the remainder of the year:

- September 27th (Thursday) 2018, at 10:00 AM CST (this meeting was previously set)
- October 23rd (Tuesday) 2018, at 10:00 AM CST
- November 15th (Thursday) 2018, at 10:00 AM CST
- December 18th (Tuesday) 2018, at 10.00 AM CST

APPROVED FOR ENTRY UPON THE MINUTE BOOKS OF THE TENNESSEE ALCOHOLIC BEVERAGE COMMISSION THIS THE 27th DAY OF SEPTEMBER 2018.


COMMISSIONER


CLAYTON BYRD, DIRECTOR